IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No.72 of 2002

For Approval and Signature:

Hon'ble MR.JUSTICE D.A.MEHTA Sd/-

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1. Whether Reporters of Local Papers may be allowed to see the judgements? : NO

2. To be referred to the Reporter or not? : NO

3. Whether Their Lordships wish to see the fair copy of the judgement? : NO

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? : NO

5. Whether it is to be circulated to the Civil Judge? : NO

LAXMI INTERMEDIATES PVT. LTD.

Versus

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Appearance:

1. COMPANY PETITION No. 72 of 2002

MR NAVIN K PAHWA for Petitioner No. 1

..... for Respondent No. 1

CORAM : MR.JUSTICE D.A.MEHTA

Date of decision: 27/06/2002

ORAL JUDGEMENT

1. This petition has been filed by Laxmi Intermediates Pvt. Ltd. (the Transferor Company) for sanction of a Scheme of Amalgamation of the petitioner Company with M/s.Bodal Chemicals Pvt. Ltd. (Transferee

Company) under the provisions of Sec.391 & 394 of the Companies Act, 1956.

2. Both the transferee and transferor companies are closely held private limited companies. The amalgamation will enable pooling of resources of all the companies and will lead to emergence of a larger company and at the same time it will also avoid administrative and other avoidable expenses. The petition gives details of the advantages that would flow by virtue of the amalgamation of these companies.

3. This being a closely held Company, the Scheme of Amalgamation has been approved by all the shareholders / unsecured creditors and the consent letters were filed along with Company Application No.95 of 2002 wherein the petitioner had prayed for dispensing with holding of the meeting of the shareholders / unsecured creditors. This Court, by an order dated 01-04-2002 had allowed the Company Application and had dispensed with the holding of the meetings of the shareholders / unsecured creditors.

4. After the petition was admitted, it was duly advertised in the English Local Daily 'Asian Age' & Gujarati Local Daily 'Sambhav' on 22.04.2002. The publication in the Government Gazette has been dispensed with. No one has come forward with any objection to the scheme of amalgamation.

5. Notices of the petition have been served upon the Central Government and Smt.P.J.Davawala, Addl. Standing Counsel appears for the Central Government.

6. The Ld. Addl. Standing Counsel has informed the Court that the Central Government does not propose to object to the Scheme of Amalgamation and they have decided not to make any representations on behalf of the Central Government and to leave the petition to be decided by the Hon'ble High Court on merits. She has also placed on record a letter dated. 19-06-2002 received from the office of the Registrar of Companies.

7. Notice of the petition of the transferor Company has also been served upon the Official Liquidator as required under the provisions of Section 394(1) of the Companies Act and the Official Liquidator has filed his report dated 19-06-2002 stating that the affairs of the transferor Company have not been conducted in a manner prejudicial to its members or to public interest.

8. Having gone through the petition and having heard

the Ld. Counsel for the petitioner, I am satisfied that the Scheme of Amalgamation is in the interest of the Company and its members. Under the circumstances, the Scheme of Amalgamation is hereby sanctioned.

9. The petition is disposed of accordingly. So far as the costs to be paid to the Central Government Standing Counsel is concerned, I quantify the same at Rs.3,500/-. The same may be paid to the learned Advocate Smt.P.J.Davawala.

Sd/-

(D.A.Mehta, J)

'Bhavesh'